



MINUTES

November 27, 2018

STAFF

JOHN J. PISECK, JR.
Executive Director

STACEY J. HOLLERAN
Office Manager

AMANDA WELLINGTON
Administrative Assistant

Herkimer County Industrial Development Agency Board of Directors Meeting at the Herkimer County Chamber of Commerce Conference Room, 420 E. German Street, Herkimer, 8:00 AM.

After the Pledge of Allegiance, Chairman Jim Bono called the meeting to order at 8:00 AM.

BOARD OF DIRECTORS

VINCENT J. BONO
Chairman

DAVID M. CHLUS
Vice Chairman

JOHN SCARANO
Secretary

MICHAEL WERENCZAK
Treasurer

CORY ALBRECHT
Director

DANIEL B. REARDON
Director

CATHERINE RICCI
Director

The following members answered the roll call: Vincent (Jim) Bono, David Chlus, Daniel Reardon, Catherine (Cate) Ricci, Michael Werenczak. Quorum present.

Members Absent: Cory Albrecht, John Scarano

Also Present: Bernard Peplinski, Peter Manno, Marc Barraco, Frank Boepple, Don Denapole, Amanda Wellington, John Piseck, Amanda Wellington, Stacey Holleran

Minutes: The minutes of the regular board meeting of October 30, 2018 meeting were offered for review. **Mike Werenczak moved, seconded by Dan Reardon, to approve minutes as presented. Motion carried.**

Financial Reports: The following financial reports were offered for review and approval: October Operating Account, Account Balances, and RLF Status. **Mike Werenczak moved, seconded by David Chlus, to approve all financial reports as presented. Motion carried.**

Salisbury Ridgerunner Snowmobile Club - Representative Mr. Frank Boepple was invited to discuss the trail the club has maintained for years through the Manheim Business Park. The club has a membership of 1800. He explained that their insurance policy covers the entire trail which runs through property of 231 landowners. Mr. Piseck expressed concern that there is development occurring at the park now and is a potential hazard. There is also a culvert pipe that has collapsed. Mr. Boepple will have Mr. Terry Giarrusso contact the Agency to discuss the culvert. If the club does not secure an alternate route for the upcoming season, the board requested the following: extra signage to alert users of the dangers, 5 mph speed limit signs, fencing to keep users on the trail, and check safety of culvert pipe. Mr. Boepple and Mr. Denapole were excused.

M&T Third Party Custodian Agreement – Mr. Piseck has been in contact with M&T Bank and it was suggested the agreement from 2008 be updated. **David Chlus moved, seconded by Mike Werenczak to authorize the Executive Director or the Chairman to deliver oral and**

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"This institution is an equal opportunity provider, employer and lender."

written instructions regarding the Third Party Custodian Agreement between the Agency, M & T Bank, and Custodian. Motion carried.

Higby Gold, Inc. – The company's application for IDA benefits, and draft Inducement Resolution was presented prior to the meeting. After discussion, Mike Werenczak offered the following motion subject to a public hearing:

RESOLUTION OF THE HERKIMER COUNTY INDUSTRIAL DEVELOPMENT AGENCY (the "AGENCY") TAKING OFFICIAL ACTION TOWARD APPOINTING HIGBY GOLD, INC. (the "COMPANY"), AND THE PRINCIPALS OF THE COMPANY, AS AGENT OF THE AGENCY IN CONNECTION WITH A LEASE-LEASEBACK TRANSACTION, AUTHORIZING THE EXECUTION AND DELIVERY OF AN INDUCEMENT AGREEMENT AND MAKING CERTAIN FINDINGS AND DETERMINATIONS WITH RESPECT TO THE PROJECT.

Seconded by David Chlus, the motion carried. The official resolution is attached to the original minutes.

Manheim Business Park (MBP)

- Mr. Piseck has been researching funding options for development. Working with USDA and County officials on applying for a Rural Development (RD) grant for water and tower. The Village of Dolgeville would be best to be the lead applicant. Also investigating funding opportunities through Northern Borders Regional Commission for sewer to the park. It was the consensus of the board to send RFP for writing USDA grant. Firm must include engineering support.
- Mr. Piseck provided information on upcoming trade shows specifically for meat processing. **After discussion Mike Werenczak moved, seconded by Cate Ricci to authorize the Executive Director to make travel arrangements and attend the International Production & Processing Expo February 2019. Motion carried.**

Schuyler Business Park (SBP) – Expecting the perc test will be done this week.

Other Projects

- National Grid has informed the Agency that there is enough gas at the Frankfort 5SS Business Park now and also to include expansion plans
- Still working on power upgrade for Tractor Supply.
- There has been a question raised regarding amount of room for a snow plow to turn at the cul de sac at F5SSBP

Mr. Reardon left the meeting

- Mr. Piseck has had inquiries on benefits available for three possible solar projects and is working with the Agency's counsel
- Mr. Piseck reported on the Site Selector forum that the Agency participated in. Felt it went very well. Will be following up and provide feedback. A memo regarding the presentation by the Site Selectors Guild to the Mohawk Valley Region's business and development leaders from board member Cory Albrecht was provided
- A reminder of the Industrial Hemp forum scheduled for 12/5/2018 was handed out
- Unemployment rates by county was handed out. Herkimer County: Oct 2018 is 3.6 and Oct 2017 was 5.0
- The Field of Dreams facility has been taken over by the bank and they are leasing it
- Anyone interested in ordering a pullover with the IDA logo on it needs to notify the office ASAP. They are \$35.
- Mr. Marc Barraco from the Governor's office will notify the IDA office as soon as a date is established for the CFA announcements.
- Mr. Piseck is meeting with County officials this Friday to further discuss formation of an Local Development Corporation (LDC)/Capital Resource Corporation (CRC). There are several projects in the county that could receive benefits (ie: loans, grants, bonding) through this type of organization.
- NYS Economic Development Council's, Executive Director, came to meet with our economic development partners to discuss ongoing issues and projects.
- Meeting scheduled for 12/10/2018 with Centro Bus to discuss adding a route to include the Frankfort 5S South and North Business Parks
- A German company will visit the area 12/11/2018. They are looking to open a sales/manufacturing facility in this area.

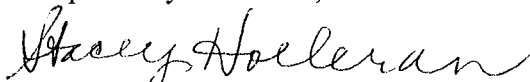
Mark Nicastro Option to Purchase Agreement – In December 2017 payment was issued for 2017 property taxes per the subject agreement. The checks were never presented for payment by Mr. Nicastro and are now outdated. **Mike Werenczak moved, seconded by Cate Ricci to reissue the payment for 2017 property taxes totaling \$4,943.55. Motion carried.**

Executive Session – Cate Ricci moved, seconded by David Chlus, to enter into executive session at 9:15 AM to discuss current litigation. Motion carried. All board members, Bernard Peplinski, John Piseck, Amanda Wellington, and Stacey Holleran, were invited to stay.

Cate Ricci moved, seconded by Mike Werenczak to end executive session at 9:40 AM.

Cate Ricci moved, seconded by Mike Werenczak to adjourn at 9:41 AM.

Respectfully submitted,



Stacey J. Holleran
Office Manager

INDUCEMENT RESOLUTION

At a special meeting of the Herkimer County Industrial Development Agency held at 420 E. German Street, Herkimer, New York, on November 27, 2018, 2018 at 8:00 A.M.

The meeting was called to order by the Chairman, and, upon the roll being called, the following were

PRESENT: Vincent (Jim) Bono, David Chlus, Catherine Ricci, Michael Werenczak, Dan Reardon,

ABSENT: John Scarano, Cory Albrecht

ALSO PRESENT: John Piseck, Stacey Holleran, Amanda Wellington, Bernard Peplinski, James Wallace, Peter Manno, Marc Barraco, Frank Boepple

The following resolution was offered and seconded with the members voting:

AYE

NAY

All

None

RESOLUTION OF THE HERKIMER COUNTY INDUSTRIAL DEVELOPMENT AGENCY (the "AGENCY") TAKING OFFICIAL ACTION TOWARD APPOINTING HIGBY GOLD, INC. (the "COMPANY), AND THE PRINCIPALS OF THE COMPANY, AS AGENT OF THE AGENCY IN CONNECTION WITH A LEASE-LEASEBACK TRANSACTION, AUTHORIZING THE EXECUTION AND DELIVERY OF AN INDUCEMENT AGREEMENT AND MAKING CERTAIN FINDINGS AND DETERMINATIONS WITH RESPECT TO THE PROJECT.

WHEREAS, the Herkimer County Industrial Development Agency (the "Agency") is authorized and empowered by Title 1 of Article 18-A of the General Municipal Law of the State New York Chapter 410 of the Laws of 1970 and Chapter 158 of the Laws of 1981 of the State (collectively, the "Act") to promote, develop, encourage and assist in the constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, pollution control, commercial, research and recreation facilities for the purpose of promoting, attracting developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York (the "State"); to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to provide assistance in the construction and equipping of one or more "Projects" (as defined in the Act); and

WHEREAS, the Company has presented an application (the "Application") to the Agency, a copy of which was presented at this meeting and copies of which are on file at the office of the Agency, requesting that the Agency consider undertaking; (i) to provide assistance through sales tax and mortgage tax incentives for the constructing, equipping, and financing of the above described project Facility and real property tax relief in the form of a Payment in Lieu of Tax Agreement (the "Assistance"), (ii) to acquire, construct, equip, and finance the Facility or to cause the Facility to be constructed, equipped, and financed; and (iii) to lease (with an obligation to purchase) or sell the Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, the Facility will consist of the acquisition, construction, and equipping of a complete truck stop/retail convenience outlet providing diesel fuel, gasoline, driver amenities, convenience store, restaurant, truck wash, reserved parking, and CAT Scales operation and office space located on the east side of Country Mile in the Town of Frankfort, Herkimer County, State of New York, known as Lot 19 and a Lot 20. The Project has an estimated cost of Three Million Three Hundred Sixty Eight Thousand and 00/100 Dollars (\$3,368,000.00) (the "Project Costs"); and

WHEREAS, the Agency has given due consideration to the Application and to representations by the Company; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law and the regulations adopted pursuant thereto the Department of Environmental Conservation of the State Department of Environmental Conservation of the State (collectively "SEQR"), the Agency constitutes a State Agency; and

WHEREAS, the Agency has considered its environmental assessment form and related forms (the questionnaire submitted by the Company) the requisite criterion to determine whether the proposed action or the Project will have a significant effect on the environment; and

WHEREAS, if required by the Act, a public hearing will be duly noticed and had with respect to the Facility and the Assistance.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE HERKIMER COUNTY INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

1. Based upon the application and other representations made by the Company to the Agency and the Agency's due deliberation, the Agency hereby makes the following findings and determinations:

A. The Facility constitutes a "Project" within the meaning of the Act.

B. The Assistance will induce the Company to locate the Facility in the County, thereby maintaining and increasing employment opportunities within the State of New York and otherwise furthering the purposes of the Agency as set forth in the Act.

C. Except as is permitted by law, the Facility will not result in the removal of a commercial, industrial or manufacturing plant or facility of the Company or any other proposed occupant of the Facility from one area of the State to another area of the State or result in the abandonment of one or more plants or facilities of the Company or any other proposed occupant of the Facility located in the State.

2. The form and substance of the proposed agreement in substantially the draft form presented to this meeting between the Agency and the Company setting forth the undertakings of the Agency and the Company with respect to providing of the Assistance (the "Agreement") are hereby approved. The Chairman, Vice Chairman and Executive Director of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the Agreement in substantially the form presented to this meeting, with such changes in terms and form as the Chairman, Vice Chairman or the Executive Director shall approve. The execution thereof by the Chairman, Vice Chairman or Executive Director shall constitute conclusive evidence of such approval.

3. Subject to the conducting of a public hearing, if required, pursuant to Sections 859-a and 862 of the Act and subject to the conditions set forth in the Agreement, the Company is hereby authorized to proceed with the acquisition, construction, equipping, and financing of the Facility and to advance such funds as may be necessary to accomplish such purposes.

4. Subject to the conducting of a public hearing, if required, pursuant to Sections 859-a and 862 of the Act and subject to the conditions set forth in the Agreement, the Company in accordance with the Agreement and where applicable its tenant or tenants, are appointed the true and lawful agents of the Agency (i) to acquire, construct, equip, and finance the Facility, (ii) to make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions, as the stated agent for the Agency, and in general to do all things which may be requisite or proper for completing the Facility, all with the same powers and the same validity as the Agency could do if acting in its own behalf.

5. This Project shall not proceed until it has conformed with all requirements of SEQR, conditions (if any) imposed by the Town of Frankfort, this Agency has adopted the Negative Declaration of the Town of Frankfort or County of Herkimer as Lead Agency in the SEQR process and the Company has provided sufficient proof of its ability to finance the Project.

A copy of this resolution, together with the attachments hereto, shall be placed on file in the office of the Agency where the same shall be available for public inspection during business hours and notices of this negative declaration shall be filed, posted and published as shall be necessary to conform with the requirements of SEQR.

6. This Resolution shall take effect immediately.

STATE OF NEW YORK)
) ss.:
COUNTY OF HERKIMER)

I, the undersigned Assistant Secretary of the Herkimer County Industrial Development Agency, do hereby certify that I have compared the foregoing extract of the minutes of the Herkimer County Industrial Development Agency (the "Agency") held on November 27, 2018 with the original thereof of file in my office, and that the same is a true and correct copy of the original and of the whole of the original insofar as the same relates to the subject matters therein referred to.

I, FURTHER CERTIFY that (i) all members of the Agency had due notice of the meeting, (ii) the meeting was in all respects duly held, (iii) pursuant to Section 99 of the Public Officers Law (Open Meetings Law), the meeting was open to the general public, and public notice of the time and place of the meeting was duly given to the public and news media in accordance with Section 99 and (iv) there was a quorum of the members of the Agency present throughout the meeting.

I, FURTHER CERTIFY that, as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed and rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 27th day of November, 2018.

**HERKIMER COUNTY INDUSTRIAL
DEVELOPMENT AGENCY**

By: Stacey Holleran
Stacey Holleran, Assistant Secretary